

behalf of railroads, barge operators, ocean-going ships, and California gasoline terminals assure that ample shipping and storage capacity exists today to move ethanol from the Midwest to California markets.

I agree with my colleagues that MTBE is a danger to public health. That is why earlier this year I introduced legislation that protects the environment and public safety by totally and immediately banning the use of MTBE as a fuel additive across the United States. The Clean Air Act has done a good job in curbing dangerous emissions, and a key part of this success has been the oxygenate requirement. For the sake of keeping the air clean in California and across the United States, we cannot allow this requirement to be scaled back or waived. Therefore, I urge my colleagues to vote against the Cox amendment.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise in opposition to H.R. 4, the Securing America's Future Energy Act of 2001. This bill grants expensive new subsidies to virtually every energy sector without offsets and does little to promote much cheaper energy efficiency and renewable energy technologies. This bill will cost \$34 billion and because no offsets are provided it will threaten the Medicare and Social Security trust funds.

This bill does nothing to relieve the suffering of the citizens of California. California's crisis is a precursor of what is to come for the rest of America as we fail to produce an energy policy which is balanced. California consumers paid \$7 billion for electricity in 1999. In 2000, that number went up to record highs and Californians paid \$27 billion for electricity. It is expected that the number could go up to \$70 billion in 2001. I am concerned that minority business owners in my district will suffer greatly due to the high costs of energy.

I am dismayed that this bill will do nothing to stop the outrageous price gouging by out-of-state energy producers to California consumers. In fact, the administration and my Republican colleagues are unwilling to carry out its obligation to ensure that energy prices are just and reasonable, claiming that uncontrolled market prices are needed in order to increase the energy supply. That's like saying that we must pay dairy farmers \$300/gallon to produce milk.

This bill will not provide one more kilowatt to California this summer, prevent one less minute of blackouts, or keep one less dollar from being transferred from California into the hands of the energy producers.

I am concerned about the environmental ramifications of this energy bill. We must look into renewable energy programs, rather than

reverse a decade old U.S. policy against reprocessing commercial nuclear fuel and allow for new drilling on public lands without royalty payments. This bill fails to guarantee a significant increase in clean, renewable energy or energy efficient products. For example, the bill fails to require significant improvement in the efficiency of air conditioners, and fails to address peak power demands of other major appliances.

Moreover, we must amend this bill because it would allow for drilling in the Arctic National Wildlife Refuge. Instead, we must utilize current American sources that are already open for drilling. After 6 years of energy inaction on behalf of the Republican Congress, this bill follows the same old path: cast blame, insist on extreme antienvironmental proposals, and declare themselves powerless in offering relief to Americans facing record-breaking energy price increases.

I believe in a balanced, comprehensive and cost-efficient energy program that meets America's energy needs through increased production and efficiency that puts the interests of consumers first and protects the environment. This omnibus energy package does little to address America's future energy needs and I want to urge my colleagues to vote no on H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. DONNA M. CHRISTENSEN

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in opposition to the managers Amendment and HR 4 which does not really secure America's energy future at all. This bill is a bad bill, largely because it favors energy exploration and production at the expense of the environment and conservation. As we seek to secure our country's energy future as the title of this bill refers, we must take into account the social and environmental costs of energy development and also remember that negative impacts on the environment in one part of our world can also affect other, even far-off, parts of the world.

Instead of securing America's future, HR 4 threatens the future of Alaska's and one of this country's most pristine and beloved natural resources. It cuts back on clean air standards, and opens up more public lands to mining and drilling, while relieving the oil companies, which already have registered humungous profits, of their responsibility for paying the American people what they owe for the right to drill on our lands.

Mr. Chairman, on ANWR, what those who support drilling there do not say, is that 95% of the Alaskan wilderness is available for drilling. We must preserve this fragile and important small 5% in the Wildlife Refuge and use the rest to drill to increase our oil and natural

gas supply, and still create the jobs our workers need.

Mr. Chairman, the Resources Committee, on which I serve as Ranking Member of the National Parks and Public Lands Subcommittee, reported an Energy bill, two weeks ago, which represented nothing more than a "grab bag of goodies" for the big oil companies and an unprecedented assault on our country's precious natural resources.

During consideration of the bill, I supported a substitute amendment offered by the Ranking Democrat, Mr. RAHALL that provided a far better solution to the concerns over energy production in our country. This amendment would have ensured that more domestic energy is introduced into the domestic market, would relieve transmission constraints for our western States, encouraged renewable energy on federal lands, assured fairness in oil royalties, and protect our environment and our nation's monuments and parks.

The Rahall substitute would have also provided for a significant number of new jobs by facilitating the construction of the Alaska Natural Gas Pipeline originally authorized in 1976. This provision would enhance the delivery of 35 trillion cubic feet of natural gas already discovered in existing development fields, and the Rahall substitute would require that a project labor agreement govern construction activities on the pipeline.

Sadly, Mr. Chairman, the Rules Committee prevented Mr. RAHALL and other Democrats from offering perfecting amendments, which means that much of what the Rahall substitute would have provided, will not be allowed today.

H.R. 4, does include one aspect of the Rahall substitute which would update a nearly twenty-year-old assessment of energy importation, consumption, and alternative indigenous sources that can be used by insular areas. A new part of this reassessment will be a recommendation and a plan to protect energy transmission and distribution lines from the effects of hurricanes and typhoons. The amendment also gives the Interior Secretary the authority to fund such recommendations.

We are all aware of the tragedy and destruction a hurricane or typhoon brings once it reaches land. The majority of Americans become aware of such a storm when it heads up the eastern seaboard or makes it way inland from the Gulf of Mexico. They are awesome and dangerous. And there is not much that can be done when it is headed your way. Those of us whose districts have been in the path of such storms can attest to the devastation.

The Virgin Islands are affected by the strongest of storms, like Georges and Hugo that eventually make their way to the U.S. mainland. But we are also all too frequently a target for lesser known hurricanes that never make it out of the Caribbean Basin but still manage to inflict just as much damage as those that reach Florida.

Some of the costliest destruction during these events in the Virgin Islands and the other offshore areas is to electrical infrastructure. Island-wide outages are common in the wake of a storm because our lines are not as hardened as they could be from a storm's strength. Ideally, in any location that experiences as much hurricane activity as my district, transmission lines should be buried underground. To have the majority of our electrical lines above ground poses a great threat

to residents during storms and makes our system vulnerable and costly to repair.

While I appreciate the recognition of the vulnerability of the Insular Areas energy supply to natural disasters, in H.R. 4, I remain opposed to the bill as a whole because of its over-reliance on energy production at the expense of pristine areas of our environment, as well as large tax breaks it provides to energy companies who are enjoying record profits. I hope that we can provide this relief to my district and others through another legislative vehicle.

H.R. 4 also leaves rural America behind. I ask that the attached statement from the National Rural Electric Cooperatives Association be included in the RECORD.

Mr. Chairman, this is not the way to secure America's future, I urge my colleagues to oppose both this "figleaf" amendment and H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. STARK. Mr. Chairman, H.R. 4 does very little to help the average U.S. consumers who need to put fuel in their cars to get to work, or who need to cool their homes in the summertime. It does even less for the state of California that has been gouged by energy generators while the Federal Energy Regulatory Commission (FERC)—the federal body responsible for regulating the transmission and sale of wholesale electricity—has sat idle. The bill does however provide an enormous windfall for some of the planet's greatest polluters seeking to make even bigger profits at the expense of the U.S. taxpayer, and at the expense of a cleaner environment. This bill is too expensive, spending nearly \$37 billion in new tax breaks without providing offsets, and it dips further into the Medicare and Social Security Trust Funds which Members of both sides of the aisle have agreed to protect.

The nuclear power industry alone will receive \$2.7 billion in tax breaks and spending subsidies on what amounts to nothing more than pork barrel spending. \$1.9 billion of this tax break, originally reserved for state-regulated utilities with nuclear assets, will now be conferred to unregulated private nuclear entities seeking to increase their profit margin.

Although the General Accounting Office (GAO) has reported waste and mismanagement of the \$2.4 billion Clean Coal Technology Program (CCTP), this Congress wants to squander another \$3.3 billion in tax benefits for a very similar program. Add this to the various research and development tax breaks in the bill and the coal industry will see a \$6 billion Christmas gift in August.

The biggest beneficiaries of the energy bill are the oil and gas industries, which will receive \$24 billion in tax breaks. The oil and gas

industries are experiencing a period of tremendous profits. Instead of regulating these industries to ensure that they don't take advantage of flawed de-regulated electricity states such as California, we are giving them further tax breaks to increase profits without imposing any additional federal oversight. This bill rewards the Texas oil producers for gouging California's electricity consumers but does nothing to guarantee that the price gouging will cease.

This bill further rewards companies with a particularly egregious provision that allows royalty-free oil drilling on federal lands. Currently, oil companies pay royalty fees to the federal government on the oil derived from the Outer Continental Shelf (OCS). However, H.R. 4 will change that. The bill provides royalty relief to major oil and gas companies seeking new leases on the Outer Continental Shelf in the Gulf of Mexico. Under the royalty exemption, the Interior Secretary would be required to give as much as 52.5 million barrels of oil royalty-free, costing Americans at least \$7.4 billion that the government would have received in those fees. Although proponents of this provision will tell you that it will encourage domestic oil exploration, there is no evidence that these companies would suspend drilling in the Gulf without such relief. This provision is nothing more than another handout to an industry that gets more than its fair share of tax relief.

Finally, this bill doesn't do nearly enough to protect our environment. We have an opportunity to slow domestic fuel consumption, increase conservation and improve our environment by increasing the corporate average fuel economy (CAFE) standards. The CAFE program dictates the average miles per gallon (mpg) that passenger cars and light-duty trucks sold in the United States must meet. Unfortunately, the "compromise" that was reached on the CAFE standards was nothing more than an insincere fig leaf.

The compromise calls for five billion gallons in gasoline savings over a six-year period. While this might sound like a genuine attempt to decrease fuel consumption, it translates to a mere six days worth of oil consumption for the U.S. To achieve that would require an increase in the fuel economy of cars and trucks of only about 1 mile per gallon—an increase that, considering how far fuel economy has fallen in recent years due to increased sales of SUVs and pickups, would improve efficiency only to the level we achieved in the early 1980's. The National Academy of Sciences just this week reported that fuel economy improvements could further reduce U.S. dependence on foreign oil. Our fuel economy standards should reflect a developed nation, leading in technological advances in the 21st century. But the meager CAFE increase proposed in H.R. 4 reflects a nation unwilling—not unable—to provide global leadership for fossil fuel conservation and a cleaner environment.

Regrettably, my colleagues did not seek a truly bipartisan energy bill that would encourage conservation and renewable energy generation; and contain manipulation of the energy spot market by the electricity generators. Instead, they chose to take a shortsighted approach to help some of their leading campaign contributors at the expense of our environment.

I urge my colleagues to protect the environment, and protect the Social Security and Medicare Trust Funds. Vote no on H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mrs. MINK of Hawaii. Mr. Chairman, H.R. 4, the so called SAFE Act, that opens the Coastal Plains of the Arctic National Wildlife Refuge (ANWR) to oil drilling, provides mandatory relief for offshore producers in the Gulf of Mexico, and provides tax breaks for oil and gas exploration. Simply put, H.R. 4 increases oil supply instead of researching and developing alternative, renewable energy sources and conservation. This bill includes tax credits and deductions of \$33.5 billion over 10 years with no offsets. Passage of this bill will invade the Medicare surplus. We are on a dangerous path towards the deficit spending that we spent the last 8 years fighting to eliminate it.

ANWR is home to more than 200 species that use the coastal plains as a breeding and migratory habitat. U.S. geological reports are inconclusive as to how much oil will actually be available within the coastal plains, and even if drilling were to begin today, it will be more than a decade before useable oil will be produced. H.R. 4 does not address the fact that oil produced right now on Alaska's North Slope is currently being exported to Japan and Asia. If we are trying to increase supply, why not ban exports on all our oil currently produced in America?

H.R. 4 includes a provision to artificially enhance competitiveness of western federal coal to give lessees the ability to control market prices. Instead of requiring coal prospectors to "diligently develop" coal, H.R. 4 allows federal coal lessees to withhold production at any time without penalty. I wrote this provision that H.R. 4 is striking. Federal coal lessees already produce 33 percent of U.S. coal consumption, this "produce or withhold" option would allow them to drive out competition and spike prices. They could flood the market with coal when they wanted and eliminate their competition or they could withhold production in order to raise prices. This provision gives an unfair advantage to current federal coal lessees and is bad for consumers.

H.R. 4 provides an insufficient amount in grants to develop alternative fuels, including fuel cells, natural gas, hydrogen, propane and ethanol. Ethanol should be a cornerstone of America's energy future. It is a clean burning, renewable, biodegradable fuel that reduces harmful greenhouse gasses when added to gasoline as oxygenate. Ethanol is good for the environment and production is vitally important economic stimulus to our nation's farmers. Ethanol is also critical to American energy security, adding volume to a tight fuel supply and will reduce consumer cost.